

Alabama Medicaid Agency

Invitation to Bid # 09-X-2193471

Questions and Answers for the 2008 Pharmacy Administrative Services ITB

1. Can an electronic copy of the document be provided to facilitate response to the ITB?

- A. Bidders wanting to see an electronic copy of the bid may go to the Alabama Medicaid website for an electronic PDF of the document. Bidders should understand that this is not an official copy. Before preparing or submitting a response, you must receive the official ITB and all required forms from the Alabama Department of Finance, Division of Purchasing. Bids submitted without all forms and attachments required by the Division of Purchasing will be rejected. For further information, visit the Division of Purchasing website at www.purchasing.alabama.gov

2. A warning has been placed on the Medicaid website stating the copy of the ITB on the website is not the official version. I got my copy from the website, what do I need to do now?

- A. Before preparing and submitting a response, you must receive the official ITB and all required forms from the Alabama Department of Finance, Division of Purchasing. Bids submitted without all forms and attachments required by the Division of Purchasing will be rejected. The website is www.purchasing.alabama.gov

3. The ITB, 1.20.0, Bidder Qualifications, #2, states that the bidder must be licensed to do business in Alabama. Can the bidder travel under their co-member's Alabama license and, if not, what type of business license must they possess and purchase to do business?

- A. "Licensed to do business in the State of Alabama" means, at a minimum, that the company is registered with the Alabama Secretary of State in accordance with that office's requirements. (See www.sos.alabama.gov.) The questioner does not define the type of business relationship that exists between "co-members in a separate entity" so we cannot specifically answer whether the questioner can utilize the co-member's license. However, whatever entity is awarded the contract must meet the requirement of being registered with the Secretary of State. Bidders should also note the provisions in the ITB regarding use of subcontractors, including Sections 1.60.0 and 5.10.1.

4. In Sections 3.91.3 "Staff Pharmacist" and 3.91.4 "Staff Certified Pharmacy Technician", the state mentions that the vendor shall furnish a resume of these positions "upon award of the contract," and "Contractor shall, in its bid response, demonstrate an understanding of this section's requirements." Are current staff in these positions now, and if so, does the state have objection for a new Vendor hiring these staff to keep them in those positions?

- A. Currently, Medicaid does utilize a Staff Pharmacist and Staff Certified Pharmacy Technician housed at the Agency Central Office that are supplied through the current Pharmacy Administrative Contractor. Due to their vast experience in these roles and the reduced need for additional time to be spent on training, the Agency would welcome the opportunity to keep these staff on site; however, the decision to join another Vendor (if the opportunity were to arise) would ultimately be left to the Staff Pharmacist and Staff Certified Pharmacy Technician. Please note that “before beginning the Contract, the Staff Pharmacist [and Staff Certified Pharmacy Technician] will interview with the Director of Pharmacy and any additional Agency staff necessary, and must be pre-approved by Medicaid.”
5. **Who are the present vendors for the following Alabama Medicaid Agency services: Fiscal Agent, Pharmacy Claims adjudication, Clinical Pharmacy Services (PDL, etc.) and these Pharmacy Administrative Services?**
- A. Fiscal Agent activities (including pharmacy claim adjudication) are contracted to Electronic Data Solutions (EDS). Clinical Pharmacy Services, including PDL and P&T is contracted to Medmetrics Health Partners, Inc. Pharmacy Administrative Services which includes prior authorization, overrides and Retrospective Drug Utilization Review services and additional administrative functions is handled by Health Information Designs, Inc.
6. **Can you provide a copy of the current Pharmacy Administrative Services vendor’s contract?**
- A. A copy of the incumbent’s proposal from the previous bid 2003 will be added to the bidder’s library on the Medicaid website.
7. **Does a prospective bidder have to have been a licensed company in Alabama for at least three years? Or is item #1 of section 1.20.0 to be interpreted as having been licensed/in business for at least three years?**
- A. The prospective bidder does not have to be licensed in Alabama for three years. The prospective bidder needs to have been licensed in business for a minimum of three years to be eligible to submit a bid. The prospective bidder must also be currently licensed in the state of Alabama. Licensed to do business in the state of Alabama means at a minimum that the company is registered with the Alabama Secretary of State in accordance with that office’ requirements. See www.sos.alabama.gov.
8. **Is there an expectation that the Disclosure Statement is to be submitted prior to the ITB Proposal due date of 6/9/2008, or is this statement to be included with the proposal?**
- A. “As provided by Ala. Code 41-16-82 (Ala. Act 2001-955), when a contract is being awarded by competitive bid, the disclosure statement (Attachment D) is required only from the bidder being awarded the contract, and is due within 10 days of the award.”

9. ITB Section 1.20.0, Bidder Qualifications, page 3 and Section 5.00.0, General Response Requirements, page 66: Section 1.20.0 states that one original and eight hard copies of bid responses must be submitted. However, Section 5.00.0 states that one original and six copies of bid responses must be submitted. Please clarify the number of copies required.
- A. Bidder needs to submit one original, six hard copies and one electronic copy. The ITB will be amended to correct this error.
10. ITB Section 1.20.0, Bidder Qualifications, page 3, Attachment F, page 87 In the Bidder Qualifications defined in ITB Section 1.20.0 bidders are instructed to submit acceptance of the requirement/submission of a performance guarantee in the amount equal to two months payment and to submit a bid guarantee of \$5,000. These two items are also included in the Mandatory Bid Requirements Checklist in Attachment F. However, there is no information in the Bid Response format provided in ITB Section 5.10.2 that instructs the bidder about where to include these documents. Where in their proposals should bidders include the bid guarantee and the acceptance of the performance bond requirement?
- A. Bidders are instructed to submit acceptance of the requirement/submission of a performance guarantee and bid guarantee information after the Transmittal Letter.
11. ITB Section 1.20.0, Bidder Qualifications, page 4, Attachment F, page 87: In the Bidder Qualifications defined in ITB Section 1.2 bidders are instructed to submit a signed and notarized page one of the ITB. This document is also included in the Mandatory Bid Requirements Checklist in Attachment F. Where in their proposals should bidders include the signed and notarized page one of the ITB?
- A. The first page of the ITB document requires signature and notarization from the bidder. Please ensure you have received the official document from the State of Alabama, Department of Finance, Division of Purchasing that requires signature and notarization of bid process documents.
12. ITB Section 1.20.0, Bidder Qualifications, page 4 and 3.91.6, Help Desk Supervisor, page 49: Section 1.20.0, item number 10, states that a resume for the Help Desk Supervisor must be submitted with the bid. However, Section 3.91.6 states that the resume for the Help Desk Supervisor should be submitted upon contract award. Please confirm which positions require resumes to be submitted with bid responses.
- A. The resume for the Help Desk Supervisor and the Recipient Liaison may be submitted upon award of the contract. All other requested resumes in item #10 of section 1.20.0 should be submitted with the proposal. The ITB will be amended to correct this error.
13. ITB Section 3.20.0, Maximum Allowable Cost (MAC) Pricing, page 18 under Contractor Duties, this section states that the contractor is responsible for "notifying Medicaid within 24 hours of confirmed unavailability" and "responding to requesting provider with outcome within 1 hour

of receipt from Medicaid." Are we to assume these hours are within normal 9:00 AM to 5:00 PM, Monday through Friday business hours or are they 24/7?

- A. Currently, this is a function of the help desk. Call center hours are 8 a.m. – 7 p.m. Central Time, M-F, and 8 a.m. – 2 p.m. Central Time on Saturday.

14. Will the POS vendor provide claims data within a reasonable time period for use by the successful contractor generate the required monthly reports identifying pharmacy providers overriding the MAC price through use of DAW code 1?

- A. Yes. Claims data is currently provided by the fiscal agent biweekly. This process will continue after connectivity and interfacing has been established between the fiscal agent and the potential vendor.

15. ITB Section 3.50.1, PA Requirements, page 23: The ITB states that the "Contractor shall receive and respond to electronic requests in the NCPDP HIPAA Standard format." Can the State provide the specific HIPAA standard format?

- A. The vendor will be responsible for compliance with state and national HIPAA standards. A manual for Alabama specifications of NCPDP version 5.1 will be placed in the bidder's library.

16. ITB Section 3.50.2, Electronic Prior Authorization, page 24: The ITB states that the "Contractor must be able to monitor EPA system for rejected claims that do not meet criteria and will need to be completed manually." Please explain the work flow process that allows for rejected claims to be manually completed? Does this involve the contractor initiating contact with the provider to manually complete the authorization request?

- A. Alabama Medicaid, through its current vendor using criteria approved by Medicaid and interfacing with the fiscal agent, provides an electronic prior authorization (PA) process where the system electronically checks the medical claims history to identify prior drug history, diagnosis, etc. If prior history is not found electronically, the prior authorization is rejected electronically, with a message sent to the provider by the fiscal agent that a manual prior authorization is required, meaning a paper PA must be completed by the provider and help desk personnel must physically review the PA for approval or denial. Once the manual request is approved or denied, a response is then sent to the provider, (both prescriber and pharmacy) via fax by the contractor. A copy of the workflow process for manual prior authorizations and overrides is included with the ITB document as attachment G.

17. ITB Section 5.10.2, Bid Response, page 69: Please clarify what information the required section "Interfacing Capabilities" should include?

- A. This section should include information on how the potential vendor expects to interface with the Medicaid fiscal agent in order to allow on line connectivity between the two entities as well as software and network capabilities available to the potential vendor and IT and network knowledge that may be potentially needed and any data transfer that will need to take place in

requirement with the contract. Computer interfacing with the fiscal agent will be required in order to meet requirements of the contract. In essence, describe what technology and software the potential vendor expects to use to meet this portion of the contract.

18. ITB Section 5.10.2, Bid Response, page 69: Please clarify what the required section "Bidder's Understanding of Alabama's Requirements" should include? How does this section differ from the information that is normally included in the Executive Summary?

- A. The Bidders Understanding of Alabama's Requirements will require further research. Additional clarification will be posted at a later date.